Guide for Review of EZ Procurement							
Name of Program Participant:							
	_						
Staff Consulte	Staff Consulted:						
Name(s) of		Date					
Reviewer(s)							

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. Except for question 29, all other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a **''finding.**"

<u>Instructions</u>: This Exhibit is designed to review the EZ's compliance with procurement requirements. It is divided into eight sections: Sample Selection; Small Purchases; Competitive Sealed Bids; Competitive Proposals; Noncompetitive Proposals; General Provisions/Procedures; Bonding and Insurance; and Contracting with Small and Minority Firms, Women's Business Enterprises and Labor Surplus Area Firms. EZ procurement requirements are governed by the provisions of 24 CFR Part 84 and 24 CFR Part 85, which are incorporated by reference in the Round II EZ Grant Agreement (see Section I. D). Using the guidance in Section 14-4 of the introduction to this Chapter, the HUD monitor is to randomly select procurement transactions undertaken by the program participant (using risk analysis results and keeping in mind the size of the EZ's program and available time and resources). Combined with EZ staff interviews, the procurement files for these selected transactions are to be used to verify program participant compliance. If the EZ's accounting system includes information on contracts, purchase orders, etc. related to the grant program, it can be a convenient starting point for selecting procurement transactions to review.

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Questions:

A. SAMPLE SELECTION

1.

Provide the following information for the selected sample of procurement transactions (adding more lines, as needed):

more mies, as needed):					
Name of	Date of	Amount	Amount	Amount	Procurement
Contractor/Purpose	Purchase	Budgeted	Obligated	Expended	Method*
1.				-	
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

^{*} Use the following numbers for these methods of procurement [see 24 CFR 85.36(d)]:

⁽¹⁾ Small Purchase; (2) Sealed Bids; (3) Competitive Proposals; and (4) Noncompetitive Proposals.

B. SMALL PURCHASES.

2.			
	Can the EZ document receipt of an adequate number of price or rate quotations		
	from qualified sources for procurements of \$100,000 or less? (Describe types of	Yes	No
	purchases and price or rate quotes received.)		
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(1) or 24 CFR 84.44(e)] Describe Basis for Conclusion:		
	Describe Dasis for Conclusion.		
C	SEALED BIDS.		
<u>. </u>			
3.			
	Summarize the EZ's formal, sealed bid process. (Attach copies of written		
	policies/procedures, if applicable.)		
	Describe Basis for Conclusion:		

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5.

Exhibit 14-7 Round II Empowerment Zones (EZs)

a.	Does the EZ receive at least two or more responsible bids for each			
	procurement transaction?		Yes	No
	[EZ Grant Agreement, Section.I.A; 24 CFR 85.36(d)(2)(i)(B) or 24 CFR		103	140
	84.44]			
De	escribe Basis for Conclusion:			
h	If the answer to "a" above is "no," do any problems appear systemic			
Γ.	failures (i.e., the program participant's system failed to work properly)	Ш	Ш	
	or isolated failures?	Yes	No	N/A
D	escribe Basis for Conclusion:			
יש	escribe basis for Conclusion.			
_				
a	For the transactions reviewed, do the procurements lend themselves to fir	m,		
	fixed price contracts and can selections of successful bidders be made		Yes	No
	principally on the basis of price?			
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(2)(i)(C) or 24 CFR			
	84.44(c)]			
De	escribe Basis for Conclusion:			

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	b. If the answer to "a" above is "no," do the problems appear to be			
	systemic or isolated instances?	Yes	No	N/A
	Describe Basis for Conclusion:			
6.				
	Was the Invitation for Bids (IFBs) publicly advertised and were bids solicite	d		
	from an adequate number of known suppliers, providing them sufficient time	•	Yes	No
	before the date set for opening the bids?			
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(2)(ii)(A)] Describe Basis for Conclusion:			
	Describe Basis for Conclusion:			
7.				
	For the transactions reviewed, do the IFBs include specifications and pertine	nt		
	attachments that clearly define the items or services needed in order for the		Yes	No
	bidders to properly respond?			
	[EZ Grant Agreement, Section I.D; 24 CFR 85.35(d)(2)(ii)(B) or 24 CFR			
	84.44(a)(3)(i)] Describe Basis for Conclusion:			
	Describe Basis for Conclusion:			

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8.			
	For the transactions reviewed, were all bids opened publicly at the times and		
	places stated in the IFBs?	Yes	No
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(2)(ii)(C)]		
	Describe Basis for Conclusion:		
9.			
	Are contracts awarded to the lowest responsive and responsible bidders?		
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(2)(ii)(D) or 24 CFR	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	L.
	84.44(d)]	Yes	No
	Describe Basis for Conclusion:		
Б	COMPETITIVE PROPOSALS		
<u>D.</u>	COMPETITIVE PROPOSALS.		
10.			
10.			
	Is this procurement method used generally when conditions are not appropriate		
	for the use of sealed bids?	Yes	No
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)] Describe Basis for Conclusion:	<u> </u>	
	Describe dasis for Conclusion.		

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	For the transactions reviewed, do the Request for Proposals (RFPs) clearly and		
	accurately state the technical requirements for the goods or services to be	Yes	No
	procured?		
	[EZ Grant Agreement, Section I.D; 24 CFR 84.44(a)(3)(i)]	<u> </u>	
	Describe Basis for Conclusion:		
2.			
	Are proposals solicited from an adequate number of qualified sources,		
	consistent with the nature and requirements of the procurements?		
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(ii) or 24 CFR 84.43]	Yes	No
	Describe Basis for Conclusion:	-	
	Describe dasis for Conclusion:		
3.			
	Does the EZ publicize RFPs and honor reasonable requests by parties to		
	compete to the maximum extent practicable?	 	
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(i) or 24 CFR 84.43]	Yes	No
	Describe Basis for Conclusion:		
	Describe Dasis for Conclusion.		

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ŀ	Oo the RFPs reviewed identify all significant evaluation factors, including price	Ш	
	or cost where required, and their relative importance?	Yes	No
	EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(i) or 24 CFR 84.45]	. 03	.10
ĵ	Describe Basis for Conclusion:		
L			
5.			
	Does the EZ:		
ľ	out the LL.		
ļ	a. conduct technical evaluations of submitted proposals?		
ľ	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(iii)]		
ļ		Yes	No
	o. determine responsible offerors from such evaluations?		
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(iii)]	Yes	No
Ī	e. as necessary, conduct negotiations, written or oral, for final contract awards?		
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(iii)]	Yes	No
ļ	I. make awards to the most responsive and responsible offerors whose	162	INO
ľ	proposals will be most advantageous to the EZ after price and other factors	Ш	Ш
	are considered?	Yes	No
ļ	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(8)]		
ļ	Describe Basis for Conclusion:		

16.				
	If the EZ procures architectural/engineering professional services, are such	П		
	proposals evaluated with respect to factors other than price and can the EZ	Yes	No	N/A
	document the bases for negotiations of fair and reasonable compensation?	163	NO	IV/ A
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(v)]			
	Describe Basis for Conclusion:			
17.				
	For procurement of architectural and engineering professional services, does	the		
	EZ maintain a list of qualified offerors who can respond to its RFPs?		Yes	— No
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d)(3)(v)]		103	140
	Describe Basis for Conclusion:			
<u>E.</u>	NONCOMPETITIVE PROPOSALS			
18.	Fa. ==			1
	If the EZ procured services noncompetitively, can it show that other			
	methods of procurement (small purchase, sealed bids or competitive	Yes	No	N/A
	proposals) were infeasible because the items were available from a single			
	source; OR a public exigency or emergency was of such urgency to not			
	permit a delay resulting from competitive solicitation, after solicitation of a			
	number of sources; OR competition is determined inadequate; OR approval			
	was granted by HUD?			
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(d) (4) or 24 CFR 84.46(b)]			
	Describe Basis for Conclusion:			
	Describe Dasis for Conclusion.			

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F. GENERAL PROVISIONS/PROCEDURES

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	Is the EZ ensuring that its awards are not made to any party excluded,		
	disqualified or otherwise ineligible (e.g., suspension, debarment, or limited		
	denial of participation) for Federal procurement and nonprocurement programs?	Yes	No
	[EZ Grant Agreement, Section I.F; 24 CFR 24, Subparts C and J; 48 CFR 9.4;		
	Executive Order 13224, implemented at 31 CFR 595-597]		
	Describe Basis for Conclusion:		
	Describe dasis for Conclusion:		
20.			
	For the files reviewed, was there documentation supporting:		
	a. the selection of the method of procurement?		
	<u>*</u>		
	1EZ Grant Agreement, Section I.D: 24 CFR 85.36(b)(9): 24 CFR 84.461	V	NI-
	[EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46]	Yes	No
	b. the selection of contract type?	Yes	No
		Yes Yes	No No
	b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48]		
	b. the selection of contract type?[EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48]c. contractor selection or rejection?	Yes	No
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] 		
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] d. the basis for the cost or price of the contract? 	Yes	No
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] d. the basis for the cost or price of the contract? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(c)] 	Yes	No
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] d. the basis for the cost or price of the contract? 	Yes Yes	No No
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] d. the basis for the cost or price of the contract? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(c)] 	Yes Yes	No No
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] d. the basis for the cost or price of the contract? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(c)] 	Yes Yes	No No
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] d. the basis for the cost or price of the contract? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(c)] 	Yes Yes	No No
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] d. the basis for the cost or price of the contract? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(c)] 	Yes Yes	No No
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] d. the basis for the cost or price of the contract? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(c)] 	Yes Yes	No No
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] d. the basis for the cost or price of the contract? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(c)] 	Yes Yes	No No
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] d. the basis for the cost or price of the contract? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(c)] 	Yes Yes	No No
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] d. the basis for the cost or price of the contract? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(c)] 	Yes Yes	No No
	 b. the selection of contract type? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.48] c. contractor selection or rejection? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(a)] d. the basis for the cost or price of the contract? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(9); 24 CFR 84.46(c)] 	Yes Yes	No No

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	Is	contract pricing always based on a method other than the "cost-plus-a-		
	-	rcentage-of-cost" method?	Yes	No
	_	Z Grant Agreement, Section I.D; 24 CFR 85.36(f)(4) or 24 CFR 84.44(c)]		
	De	escribe Basis for Conclusion:		
2.				
۷.				
	Ar	e procurement procedures in place that ensure that:		
	a.	purchase orders and contracts are signed by an authorized program official?		
		[EZ Grant Agreement, Section I.D; 24 CFR 85.36]	Yes	No
	b.	items delivered and paid for are consistent with the items contained in the		
		corresponding purchase order and/or contract?	Yes	□ No
		[EZ Grant Agreement, Section I.D; 24 CFR 85.36]	163	NO
	c.	once requested, timely payment of vendors occurs, after orders have been		
		delivered, inspected and accepted, and payment of the vendor has been	Yes	No
		approved?		
		[EZ Grant Agreement, Section I.D; 24 CFR 85.36]		
	d.	a cost or price analysis is performed in connection with every procurement		
		action, including contract modifications?	Yes	No
		[EZ Grant Agreement, Section I.D; 24 CFR 85.36 or 24 CFR 84.45]		
	e.	profit is negotiated as a separate element of price where price competition is		
		lacking or a cost analysis is performed?	Yes	No
	<u> </u>	[EZ Grant Agreement, Section I.D; 24 CFR 85.36 or 24 CFR 84.44(c)]		
	De	escribe Basis for Conclusion:		

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23.	Are the contract provisions listed in 24 CFR 85.36(i) or 24 CFR 84.44(b), as applicable, included in the EZ grant-assisted contracts? [EZ Grant Agreement, Section I.D]	Yes	No
	Describe Basis for Conclusion:		
24.			
	Does the EZ have a written code of conduct governing employees, officers or		
	agents engaged in the award and administration of contracts supported by grant funds?	Yes	No
	[[EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(3) or 24 CFR 84.42]		
	Describe Basis for Conclusion:		
25.			
	Can the EZ document a system of contract administration for determining the adequacy of contractors' performance? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(2) or 24 CFR 84.51]	Yes	No
	Describe Basis for Conclusion:		

26.			
	Can the EZ show that its subrecipients are required to follow applicable		
	procurement policies and procedures in the administration of their contracts and	Yes	s No
	purchase orders? [EZ Grant Agreement, Section I.D; 24 CFR 85.36(b)(2) or 24 CFR 84.5 and		
	[122 Grant Agreement, Section 1.D, 24 CFR 83.30(b)(2) of 24 CFR 84.3 and [84.48(e)]		
	Describe Basis for Conclusion:		
27.			
	If the EZ uses prequalified lists, are such lists current, developed through an		$\overline{1}$
	open solicitation process without overly restrictive criteria, and include an	es No	o N/A
	adequate number of qualified sources? [EZ Grant Agreement, Section I.D; 24 CFR 85.36 or 24 CFR 84.43]		
	Describe Basis for Conclusion:		

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G. BONDING AND INSURANCE

28.

If c	contracts have been awarded for construction or facility improvements un	der th	e EZ	
pro	gram, does the EZ:			
$[E_2]$	Z Grant Agreement, Section I.D; 24 CFR 85.36(h) or 24 CFR 84.48(c)]			
a.	follow its own requirements relating to bid guarantees, performance			
	bonds and payment bonds for construction contracts or subcontracts valued at or below \$100,000?	Yes	No	N/A
b.	meet the minimum Federal requirements for bid guarantees,			
	performance bonds and payment bonds for construction contracts or	Yes	No	N/A
	subcontracts valued above \$100,000?	103	140	IV/ A
	scribe Basis for Conclusion:			

H. CONTRACTING WITH SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISES AND LABOR SURPLUS AREA FIRMS [24 CFR 85.36(e)]

29.

Per the EZ Grant Agreement, Section I.B.6 (see 24 CFR 85.36(e) or 24 CFR 84.44	4(b)(1)), as
applicable), is the EZ taking affirmative steps to use small, minority-owned and w	vomen-	-
owned businesses in EZ grant-funded contracts, such as:		
a. including such businesses on solicitation lists whenever they are potential		
sources?	Yes	No
b. ensuring that such businesses, when identified, are solicited whenever they are potential sources?		
are potential sources?	Yes	No
c. dividing procurement requirements, when economically feasible, into		
smaller tasks or quantities to permit maximum participation by such businesses?	Yes	No
d. requiring prime contractors, when subcontracts are let, to take affirmative		
steps to select small, minority-owned and women-owned businesses in grant-funded contracts?	Yes	No
e. any other affirmative actions to assure use of small, minority-owned and		
women-owned businesses when possible?	Yes	No
Describe Basis for Conclusion:		

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